



The President's Daily Brief

3 November 1972



45

~~Top Secret~~ 25X1

FOR THE PRESIDENT ONLY

THE PRESIDENT'S DAILY BRIEF

3 November 1972

PRINCIPAL DEVELOPMENTS

Representatives of a number of international grain companies are in Moscow discussing execution of the grain contracts made last summer. Shipping delays cause concern on both sides. Some of the companies are discussing new Soviet purchases of rye and corn.
(Page 1)

President Allende has named three senior military officers to his new cabinet, a move that should strengthen his hand in efforts to overcome the continuing protest movement by the private sector.
(Page 2)

Recent incidents of restiveness among Egyptian university students, though relatively minor, point up yet another potentially troublesome issue for President Sadat. (Page 3)

Cambodia's new "national committee for peace and concord" could become a forum for discussing high-level contacts with the Khmer Communists if President Lon Nol chooses. (Page 4)

Jamaica's Prime Minister Manley has informed the US ambassador that Jamaica will join the other three Caribbean Commonwealth countries in granting diplomatic recognition to the Castro government. (Page 5)

For the first time in recent months, Hanoi is sending infiltrators farther south than Military Region I. (Page 6)

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

USSR-US

Representatives of a number of international grain companies are in Moscow discussing execution of the grain contracts made last July and August. Shipping delays caused by late resolution of the US-Soviet maritime agreement have caused concern on both sides. As of the end of October, shipments were 1.7 million tons behind schedule. Unless shipments can be speeded, the lag could reach 3 million tons by the end of November.

Some of the company representatives are in Moscow to discuss new Soviet purchases of rye and corn for feed grains.

Total US stocks of rye come to only 1.6 million tons, but enough corn is available in the US to cover any Soviet purchases.

The Soviets could still be uncertain about the size and quality of this year's grain crop and thus may believe it necessary to purchase more grain than the 28 million tons already under contract. By mid-October, a record eight percent of the total areas sown to grain in the USSR had not been threshed, indicating significant losses. In the European part of the USSR, some fields were abandoned or turned over to grazing animals because the grain was too poor to thresh. In Siberia and the Urals, winter overtook the threshers.

Moreover, the 1973 grain crop is off to a bad start. As the fall sowing campaign was ending, only 75 percent of the planned area was sown to winter grains--a record shortfall. The lack of soil moisture in some areas hit by the summer drought apparently prevented fall seeding. As in 1972, the barren areas will have to be resown with lower yielding spring grains.

FOR THE PRESIDENT ONLY

CHILE

General Carlos Prats, former army commander, was sworn in last night as President Allende's new interior minister. Two other senior military men, an admiral and an air force general, became minister of public works and minister of mines. Chile's top Communist labor leader, Luis Figueroa, is the new minister of labor and radical Socialist Party member Rolando Calderon took over as minister of agriculture.

General Prats' successor as army commander has not yet been named.

President Allende has long sought to bring the military into his cabinet but until now was unable to overcome strenuous objections among some members of his political coalition. The move should strengthen his hand in efforts to overcome the continuing protest movement by the private sector and to prepare the way for the crucial congressional elections next March.

General Prats, after being sworn in, described his participation in the cabinet as "not a political commitment, but a patriotic contribution toward social peace." He echoed Allende's own warning that the full force of law will be applied against excesses by extremists of either the left or the right.

Some military officers, presumably including Prats, feel participation in the cabinet will permit them to moderate government policies. The positions held by military officers, however, do not offer them direct influence over key economic and social policies. Nevertheless, as the senior cabinet officer, Prats is now first in the presidential line of succession.

FOR THE PRESIDENT ONLY

EGYPT

The first signs of yet another potentially troublesome issue for President Sadat have emerged in the past week at Egypt's universities. According to the US Interests Section in Cairo, three separate instances of modest student restiveness have occurred since 28 October. Two of the incidents apparently involved issues not directly connected with the performance of the Sadat regime, but during the third, students voiced criticism of Sadat and Prime Minister Sidqi for following policies toward Israel and the USSR without discernible goals.

The authorities are concerned that student demonstrations could lead to more serious manifestations of discontent and they have attempted to assuage some student grievances. The roots of student discontent, however, lie largely with the lack of direction of the Sadat regime, an uneasiness apparently shared by other Egyptians as well.

FOR THE PRESIDENT ONLY

CAMBODIA

President Lon Nol has formed a "national committee for peace and concord" to oversee the government's political program for dealing with the Communists. It is to include all cabinet ministers and representatives of Cambodia's two Buddhist orders. The President has also asked opposition political parties to join. Republican Party chief Sirik Matak has agreed to participate [redacted]

25X1

25X1

[redacted] Some members of the Democratic Party may also take part.

25X1

The new committee could become a forum for discussing high-level contacts with the Khmer Communists if Lon Nol chooses to move toward that objective. Meanwhile, the government continues its all-out effort to persuade local Communists to rally to the government side.

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

JAMAICA-CUBA

Jamaica's Prime Minister Manley informed Ambassador De Roulet Wednesday night that he would grant diplomatic recognition to the Castro government before the end of the month. This would be a joint action with Guyana, Trinidad-Tobago, and Barbados, he explained, and the ambassadors accredited to Havana would not reside there. Manley added that he agreed to the joint move reluctantly and only after receiving certain commitments from the other prime ministers. These commitments apparently include assistance in the struggle Manley is having with Trevor Munroe, a radical leader active at the Jamaican branch of the University of the West Indies.

Joint policy toward Cuba was agreed at the conference of Caribbean Commonwealth prime ministers early last month. Prime Minister Williams of Trinidad-Tobago took the lead in tabling the Cuba resolution at the conference, but Guyana's Prime Minister Burnham has been the real sparkplug on the issue. Guyana has already announced its intention to establish diplomatic ties with Cuba. Jamaica's main interest in Cuba is the presence of some 20,000 of its citizens who have long lived there, but there is no significant public pressure in Jamaica for diplomatic ties. Neither is there such pressure in Trinidad-Tobago or Barbados.

FOR THE PRESIDENT ONLY

NOTE

Vietnam: For the first time in recent months, Hanoi is sending infiltrators farther south than Military Region 1. In the past few days, intercepted messages have shown the movement of eight new infiltration groups. They are now in southern North Vietnam. Seven of them are earmarked for COSVN-controlled areas of South Vietnam and Cambodia, and the other is bound for the central highlands. The group going to the highlands has 516 men. The intercepts did not reveal the sizes of the other groups, but if they are of average size, the replacements for COSVN could total upwards of 3,000 men.

Top Secret